



United States Senator
Richard Shelby
REPORTS TO ALABAMA



**“A+ EDUCATION SAVINGS ACCOUNTS”
HEAD TO THE SENATE FLOOR**

One of the first items the U. S. Senate will consider when it returns from legislative recess will be education reform. In particular, the Senate will consider education savings account legislation otherwise known as the “Parent and Student Savings Account Plus Act.”

I am a cosponsor of this important legislation which was introduced earlier this Congress by my Georgia colleague Sen. Paul Coverdell. This bipartisan bill would allow parents to contribute money, tax free, to an “A+Account” with the money intended for a child’s education at any school—public, private, religious or home school—from kindergarten through college.

Despite rigorous objections coming from those who believe that problems in our nation’s schools will be solved by simply pumping more money into them, this solution has failed. The deteriorating District of Columbia school system serves as a fine example of how this action has fared over the years. We spend more per pupil in the District than in any other state, or territory, and yet, test scores are the lowest in the country. Money alone is not the answer. Giving parents, families, stu-

dents, and benefactors more options is.

According to the Joint Committee on Taxation, of the families expected to take advantage of the tax benefits of the A+ legislation, 70 percent have incomes of \$75,000 or less, and 87 percent have earnings of \$100,000 or less.

One of the most useful aspects of this proposal is the flexibility it provides parents. Regardless of where your child goes to school, you can use the education savings account to save for college, pay for immediate educational expenses (like tutoring, home computers, school uniforms, etc...), or invest in private education. You have the choice.

The Clinton Administration has been very critical of the flexibility of the education savings account. They, like many of their Democrat counterparts, believe that instead of allowing parents to make their own choices, we should use schools like those in the District as our model for education. No, thank you.

Opponents of the education savings account proposal would also have you believe that only wealthy parents opt to place their children in private schools. While it is certainly a greater sacrifice for low-to middle-income parents

to pay for private education, more than 68 percent of parents who sent their children to private schools in 1994-1995 had incomes of \$35,000 or less; and 88 percent had incomes of \$50,000 or less.

The costs associated with education are headed in one direction: up. In fact, the cost of a college education continues to outpace inflation. According to NELLIE MAE, the largest nonprofit provider of education loans in the nation, American families incurred more debt to finance college education between 1990 and 1995 than during the 1960s, 1970s and 1980s combined. A college education has never been more important for an individual’s economic independence and well-being. The number of young Americans who complete college will determine whether the United States continues to stand strong as the educated leader of the free world. Any of these reasons is justification enough for enabling parents to better provide for a child’s education. As we face the challenges associated with educating our children, we must try new options that provide individuals greater flexibility and decision-making power, rather than clinging to ideas that have not worked, and are destined to fail in the future.



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